

**Department of Legislative Services**  
 Maryland General Assembly  
 2004 Session

**FISCAL AND POLICY NOTE**  
**Revised**

House Bill 987 (Chairman, Ways and Means Committee)  
 (By Request – Departmental – Business and Economic Development)

Ways and Means Budget and Taxation

**Research and Development - Maryland Technology Development Corporation**

This departmental bill requires the Governor to include in the State budget a proposed general fund appropriation of at least \$8,750,000 for the Maryland Technology Development Corporation (TEDCO) beginning in fiscal 2006 and thereafter.

The bill takes effect July 1, 2004.

**Fiscal Summary**

**State Effect:** The FY 2005 budget includes \$5,457,000 for TEDCO. Assuming that TEDCO would receive the same level of funding in FY 2006 and beyond, general fund expenditures could increase by \$3,293,000 in FY 2006 and beyond due to the required \$8,750,000 appropriation to TEDCO.

(in dollars)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	3,293,000	3,293,000	3,293,000	3,293,000
Net Effect	\$0	(\$3,293,000)	(\$3,293,000)	(\$3,293,000)	(\$3,293,000)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** The Department of Business and Economic Development has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

## Analysis

**Current Law:** None applicable.

**Background:** TEDCO was established by Chapter 661 of 1998 to stimulate the creation of and investment in new scientific research and technologies for economic development in the State. The enabling legislation allows the corporation to (1) accept loans, grants, or assistance from federal, State, or local governments, colleges or universities, or private sources; (2) acquire, construct, develop, manage, market, manufacture, license, sublicense, reconstruct, rehabilitate, improve, maintain, equip, lease, repair, and operate any project in the State; (3) acquire, purchase, hold, lease, and use any franchise, patent, license, or real, personal, mixed, or tangible or intangible property; (4) sell, lease, transfer, license, sublicense, assign, and dispose of any property; (5) acquire any lands, structures, property, rights-of-way, franchises, easements for the construction, improvement, rehabilitation, or operation of a project; (6) set rates, rentals, fees, and charges for services and resources; (7) do all things necessary to carry out the powers granted; and (8) exercise any power not in conflict with the Constitution and the law of the State.

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### Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Business and Economic Development, Comptroller's Office, Department of Legislative Services

**Fiscal Note History:** First Reader - March 8, 2004  
ncs/mdr Revised - House Third Reader - April 14, 2004

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